

382 Channel Drive Port Washington, New York 11050 516- 883-5432

January 27, 2014

Shoshana Grove, Secretary
Postal Regulatory Commission
901 New York Avenue NW Suite 200
Washington DC 20268-0001

RE: Docket No. N2014-1: DSCF Standard Mail Load Leveling

Dear Secretary Grove,

Being a large USPS customer and mail owner, Publishers Clearing House would like to share our concerns about the USPS plan to elongate the Service Standards for DSCF entered letters and flats as part of a "load leveling" effort. PCH has already cut back 2014 advertising (letter) volumes as a result of the exigent price increase and the continued threat of a loss of Saturday delivery. Combining this proposed reduction in service on the heels of a steep price increase creates a recipe for an even faster decline in mail volumes.

First and foremost, by adding a day to the Service Standard for Standard Mail entered into DSCFs by the CET on Friday and Saturday, the predictability of delivery and thus the value of mail will be weakened. Mail owners have various reasons for wanting to be in-home on given days of the week. It is recognized that Standard Mail is deferrable. However, the industry has been able to more effectively manage advertising campaigns and responses based on the improved predictability and service level gains achieved by the Postal Service in the last two years. The USPS has long acknowledged a desire to improve predictability in effort to meet market needs. It is disappointing that following such an achievement, the Postal Service now plans to take a step backwards. The value of the mail improves when delivery is more predictable. The proposed change flies in the face of Postal Service attempts to prove that mail is still relevant and valuable. Under the proposed standards, improved on-time service performance (to be measured against a 4-day window as opposed to a 3-day window) does NOT equate to improved predictability. An added day by definition adds to greater variability.

From participation in MTAC, it is known that this load leveling effort is being undertaken primarily due to the high volume of flat mail DSCF entered on Friday for Monday delivery and the bottleneck/carrier expenses associated with that. It is unfair to penalize letter mail owners as part of this goal.

The capability of the postal network should be adjusted to address market needs, as opposed to the market being forced to adjust to the postal network, especially when it has more flexibility (e.g. a larger non-career labor pool) than ever before.

By adding a postal service day for Thursday entries after 1600 through Saturday, weekly mailer production schedules are squeezed by a day for those who desire the same delivery window experienced today. This is

Postal Regulatory Commission Submitted 1/27/2014 2:38:24 PM Filing ID: 89054 Accepted 1/27/2014 another strike against the attractiveness of mail. And since some can adjust their production schedules to enter a day earlier to retain Monday delivery, the effectiveness of the load leveling will be lessened.

Unfortunately, rather than applying company resources on means to grow our mail, e.g. taking advantage of some of the USPS promotions for early 2014, we have spent the first month of the year strategizing on how to limit the damage from the exigent price filing, potentially more damaging legislative bills, and now the proposed load leveling service degradation.

Publishers Clearing House has urged the Postal Service to reconsider making this service change and look further into options on how to modify the network capabilities, without additional burdens (service or cost) to mail users, to meet the needs of the market place and to preserve the service improvements that have been achieved.

Respectfully,

Wendy C. Smith

AVP Fulfillment & Postal Affairs.